



NOTES FROM THE:

Deputy Assistant Secretary, Budget

by Major General George T. Stringer

Budget and Accounting Classification Code (BACC)

Although it doesn't get a lot of visibility, we are currently working on refining and implementing the BACC. After reviewing Military Pay appropriation information requirements, we are implementing ideas that simplify information structures and establishing procedures that make good sense. SAF/FMBMA has been sponsoring mini meetings with the Services' Guard and Reserve analysts to build a new BACC-based budget information structure that would bring the Active and Guard/Reserve components to a common structure. It was obvious from analysis of the data components (types of service members, pay groups, and types of training and duty) that similarities were far greater between the appropriations than differences.

A DoD common coding structure is proposed that will further align the budget activities (BAs) in all the military pay appropriations: all basic pay & allowances activity will be in BA 01; all PCS and TDY travel pay and other entitlements will be in BA 02. Sub-components (rather than additional BAs) will identify service member by type, pay category, training category, and type of duty. A big advantage of these changes is a programming and budgeting process that will allow automatic POM and budget pay calculations to be derived from sub-component data (based on personnel strengths by category and time). Travel entitlements can be calculated based on approved training programs, personnel strengths by category of trainee, and cost data. Mapping to the FYDP can also be simplified; pay will map to the FYDP through the end-strength spread by category; and the average annual cost factor for each category, travel entitlements would map to the training program elements. Pay can be a direct feed from the military pay system for Reserve components, while travel can be fed directly from travel documentation (DD Fm 1610, PCS or DTS orders). This also means that BA breaks in the Active account will go from six to two (BAs 01 - 04 combine in a revised BA 01, BAs 05 and 06 com-

bine to a revised BA 02). These proposals are currently being worked through functional and budget managers and serve as an excellent example of process improvements that can be found in system modernization efforts. Not all of the details are refined, but it is apparent BA structure changes offer great opportunities to simplify programming and budgeting actions, too. The next step is to bring in the Active force pay analysts to validate our beliefs in building a coding structure that will take us into the next century and beyond.

FY99 Operation and Maintenance (O&M) Program

We are rapidly approaching the FY99 Operating Budget and Review Committee review of your financial plans and the development of the FY99 O&M distribution. We are again inviting the budget officers to attend the deliberations from 20-22 July. This will afford you an opportunity to understand the process better and to observe first hand the issues the Air Force is facing in FY99. The tentative date for the Air Force Board is 13 August and the Air Force Council is 18 August. We hope to have much better insight into Congressional marks this year than in recent years due to their intent to mark earlier. This will give us better knowledge of what risks are built into the FY99 program before we give out planning numbers. If everything stays on schedule we intend to have planning numbers to you by 30 August.

However, even with early knowledge of marks there still are other challenges we are likely to face in FY99. Congress is becoming much more concerned about the migration of funds between BAs and subactivity groups (SAGs). We may see more limitations, e.g., "fences", that will reduce your flexibility. It is becoming increasingly important to budget where you will execute. We may not have the same flexibility at the Secretariat to approve requests for reprogramming as we have in the past.